GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:5310
ANSWERED ON:29.04.2005
APDRP
Rao Shri Sambasiva Rayapati

Will the Minister of POWER be pleased to state:

(a) whether in the year 2004 the Indian energy sector witnessed a roller-coaster ride as the power sector showed signs of taking off;

(b) if so, whether new benchmarks are also being created with an investment for new projects falling to 3-3.25 crores MW as against Rs.4.0 crores MW in earlier years;

(c) whether power distribution reforms programme also shows success with 11 States, reporting a reduction of their losses by Rs.800 crores;

(d) if so, the extent to which the Ministry has improved the power sector during 2004-05; and

(e) projects for future improvements in power sector?

Answer

THE MINISTER OF POWER(SHRI P.M. SAYEED)

(a) : Number of positive developments have taken place in power sector in recent past:-

- Generation exceeded the target and registered growth of 5.2%.

- The Plant Load Factor of thermal power stations further improved from 72.7% in 2003-04 to 74.8% in 2004-05.

- Under the Electricity Act, 2003, National Electricity Policy and Tariff Policy were announced for development of power system. The National Electricity Policy envisages per capita availability of electricity to be increased to over 1000 units by 2012 and minimum lifeline consumption of 1 unit/household/day as a merit good by year 2012.

- Rajiv Gandhi Grameen Vidyutikaran Yojana for providing access to electricity to all villages and households in five years, with 90% capital subsidy, has been launched.

(b) : As per the present trend, the capital cost of the coal based mega power project would work out to be about Rs.3.5 crores per Megawatt and new benchmarks in executing 500 MW thermal projects in 36-37 months have been set.

(c) to (e) : The ever increasing trend of commercial losses of State Power Utilities has been arrested after 2001-02. The commercial losses (without subsidy) in State Electricity Boards have increased from Rs.4,560 crores during 1992-93 to Rs.25,259 crores during 2000-01. According to data compiled by Power Finance Corporation, the losses of State Utilities have reduced from 26,596 crores in 2001-02 to Rs.20,231 crores in 2003-04. Losses as percentage of turnover have started exhibiting a declining trend which is expected to be maintained in coming years.

The Union Government, in order to help the State Utilities is providing funds to States under Accelerated Power Development and Reforms Programme (APDRP) for investment in identified distribution areas for, inter alia, reducing technical losses and improving the quality of supply and also for incentivising, through grants, reduction of cash losses. Six States have been provided incentive under APDRP for actual reduction in losses. State-wise details are as under:

Sl. No.	States	Reduction in cash loss (Rs. Crores)	Incentive released
1.	Andhra Pradesh	530.22	265.11
2.	Gujarat	472.76	236.38

3. Haryana 210.98 105.49

4. Maharashtra 275.78 137.89

5. Rajasthan 275.42 137.71

6. West Bengal 146.00 73.00